null Carol X Weakley 08/04/2006 04:03:42 PM From DB/Inbox: Carol X Weakley

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TO RUEHC/SECSTATE WASHDC PRIORITY 5382

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RUEHUNV/USMISSION UNVIE VIENNA 0112

RUEHNO/USMISSION USNATO 0136

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S E C R E T SECTION 01 OF 02 TEL AVIV 003041

SIPDIS

STATE FOR ISN/RA (RANGASWAMY) AND NEA/IPA (MAHER) PENTAGON FOR OSD ISRAEL DESK OFFICER (ANDERSON)

NSC FOR LOGERFO

JOINT STAFF FOR LT GEN WILLIAM FRASER

DEPT OF ENERGY FOR NNSA ADMINISTRATOR LINTON BROOKS

E.O. 12958: DECL: 08/02/2016

TAGS: KNNP PARM PREL PTER MNUC AORC EU IR IS

SUBJECT: ISRAELI ATOMIC ENERGY COMMISSION DIRECTOR GENERAL

ON IRAN'S NUCLEAR PROGRAM: "TIME IS NOT ON OUR SIDE.'

REF: STATE 119436

Classified By: Ambassador Richard H. Jones. Reasons: 1.4 (b, d).

SUMMARY

 $\P 1.$ (S) Israeli Atomic Energy Commission (IAEC) Director General Gideon Frank told the Ambassador on August 2 that Iran's rejection of what Frank characterized as a generous P-5 1 offer to Iran suggests that Iran has never been serious about negotiations on its nuclear program. Frank said the passage of UN Security Council Resolution 1696 is a step in the right direction, but expressed Israel's concern that the West is reacting too softly and slowly to Iranian intransigence, and that Iran is learning the wrong lesson from this. Frank is worried that Iran may decide to begin negotiations by the August 31 deadline set by UNSCR 1696, and then buy time for its weapons program -- which he claims is steadily moving forward. Frank expressed his hope that the world would come to see Iran's true nature as a result of its support for Hizballah in the conflict in Lebanon, and that

this will help to unify the international community in its approach to Iran's nuclear weapons program. Frank expressed concerns about Russia's inconsistency in its position on Iran, and Germany's willingness to help Iran with nuclear research and development. He urged the U.S. to remain resolute in dealing with the current situation, stressing that time is only on Iran's side. END SUMMARY.

- $\P2.$ (S) Responding to information in reftel concerning the P-5 1 offer to Iran, Israeli Atomic Energy Commission Director General Gideon Frank told the Ambassador August 2 that Iran's rejection of the offer suggests that Iran has never been serious about negotiations, and intends to proceed at all costs with its nuclear weapons program. Frank considered the passage of UNSCR 1696 "impressive" and a step in the right direction, but lamented that the international community is still reacting too softly and slowly to Iranian intransigence: "If the Iranian leadership analyzes the West's reactions along the way, it will certainly conclude that being defiant and aggressive makes sense, as it has never faced a timely, strong reaction from the West." Frank expressed his concern that Iran might agree on August 31 to enter into negotiations with the P-5 1, and thereby undercut the imposition of sanctions envisioned in UNSCR 1696, while buying more time for its weapons program. Frank said Russia's inconsistent behavior -- including its recent announcement that it will not store spent fuel from third countries -- remains difficult to understand and predict, and complicates formulating an effective, unified approach to Iran. He also claimed that Russia did not permit any reference to the use of force under article 39 of Chapter VII in UNSCR 1696.
- ¶3. (S) Echoing a notion that many GOI officials have recently expressed in public, Frank said it is hard to draw a line separating Iran's behavior and Hizballah's aggression in Lebanon. "Iran does not need an aircraft carrier when it has Hizballah operating out of southern Lebanon." Suggesting that it is increasingly clear to the international community that Iran cannot possibly have peaceful ambitions, Frank wondered aloud how the world ultimately will react to the war in Lebanon. "Do they understand that Iran is behind the war and the missile launches against Israel? I do not believe people understand how angry Israelis are about Hizballah right now. It is frustrating that the Europeans do not understand this." The Ambassador pointed out that U.S. embassies around the world have shown the P-5 1 offer to host governments. Governments have noted their surprise that Iran rejected an offer that includes help with nuclear research and development and other forms of assistance in a wide range of non-nuclear areas. Perhaps this was why the vote in UNSCR 1696 was 14-1. Frank noted that the lone "no" vote was cast by Qatar. He saw the small Gulf State's behavior as a harbinger of things to come in the region once Iran became a nuclear power.
- 14. (S) Frank used the discussion to reiterate Israel's concerns with aspects of the P-5 1 offer and stated positions: "In the offer and discussions, there are no references to conversion. There are no calls for Iran to suspend work on its research reactor in Arak. Instead, there is an offer to assist Iran with research and development." Frank observed that Germany's willingness to offer assistance with research and development ran counter to an IAEA assessment that he claims suggests that any amount of research and development will contribute to a nuclear weapons program. In light of the Western countries disagreement over implications, Frank wondered aloud if the P-5 1 will be able to come to agreement on an effective sanctions regime should Iran decide to balk on August 31. The Ambassador replied that the Russians and Chinese appear increasingly irritated with Iran, and said that he is confident that agreement will be found on sanctions, should Iran break the August 31 deadline.
- $\underline{\mathbf{1}}$ 5. (S) Frank said that Iran is pushing ahead on its cascade. "Iran is having some problems in this area, but it is still moving forward. It has over 100 tons of uranium

hexaflouride. We know that they have plans for a bigger operation in Natanz." Frank observed that if Iran is running a cascade of between 3,000 and 5,000 centrifuges, it can produce enough U-236 in one year for a nuclear bomb. He added that if Iran is able to enrich uranium up to 3-5 percent, it will be more than halfway to achieving its goal of creating fissile material: "And that is with its declared program. What if they have a clandestine program?" Frank allowed that International Atomic Energy Agency (IAEA) inspectors travel in and out of Iran all the time, but pointed out that Iran can delay issuing visas under the rules of the Nuclear Non-Proliferation Treaty (NPT). He noted that Iran had recently declared the IAEA's chief inspector not welcome, and that IAEA Director General ElBaradei acquiesced and later avoided public mention of it: "Why didn't El Baradei publicly mention it? Under the circumstances, it is more than strange." Frank added that Iran already has the missiles it needs to deliver a nuclear warhead, and has learned from the A.Q. Khan network how to prepare metal spheres necessary for nuclear weapons.

 ${ t \underline{1}}6$. (S) Frank said he agreed with the views of former IAEA Deputy DG Pierre Goldschmidt -- that once a country has been found noncompliant by the IAEA's Board of Governors, it should be forced to submit to special measures, including increased access by inspectors, and "forced suspension" of activities. He lauded the USG's proposal to establish the Special Committee on Safeguards, but lamented that the committee, in his view, is not being utilized as the U.S. envisioned it should be, and instead only deals with what the IAEA staff puts before it. "Member States are not contributing to it, and it is not as effective as we hoped it would be." In response to the Ambassador's question, Frank said that Israel is not planning to hold consultations with any of the Europeans in the near future. He added, "It is important that we deal with what we are facing right now. We should not focus on the possibilities in the future. I hope that the U.S. will not do this. The U.S. must be resolute, unlike the Germans and the rest of the Europeans. Time, in this case, is not on our side."